



MONTANA STATE SENATE

SENATOR DAVE LEWIS
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HELENA, MT 59602

EXHIBIT 16
DATE 3/23/07
363
COMMITTEES:
FINANCE AND CLAIMS
STATE ADMINISTRATION
SUB - COMMITTEE ON
EDUCATION FINANCE

Representative Diane Rice and the House Judiciary Committee

Re: SB 363

Date: March 22, 2007

I would like to show my support for SB 363 as an important bill that will address some of the issues raised in the 2005 U.S. Supreme Court ruling, *Kelo v. City of New London, Connecticut*. In that decision, the Supreme Court ruled that a state's laws may allow the use of eminent domain by a local government to further economic development.

Although the U.S. Supreme Court decision in *Kelo* does not directly change the way Montana's eminent domain laws are used, it did scare homeowners into thinking that their land could be taken to build a Walmart or similar business that might increase a community's tax revenues.

I believe that it is important to reassure Montanans that their property cannot be taken by local governments and given to private developers for economic development reasons. SB 363 specifically targets the problems that led to the *Kelo* abuse of eminent domain in Connecticut by making it clear that a local government cannot use eminent domain for urban renewal purposes unless (1) the property is determined to be blighted or (2) if the primary purpose of the urban renewal project is to increase tax revenues. Its passage will ensure that *Kelo* can't happen in Montana.

Please support SB 363.

Dave Lewis